

September 26, 2003

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

Irene Flannery
Universal Service Administrative Company
2120 L Street, NW – Suite 600
Washington, DC 20037

Re: CC Docket No. 96-45
State Certification of USF Funds in Rural Areas

Dear Mses. Dortch and Flannery:

This letter is submitted pursuant to 47 C.F.R. 54.314(a), which requires annual state certification of use of federal universal service funds as a prerequisite for continued receipt of funding by rural carriers. The Regulatory Commission of Alaska governs local services and rates in Alaska and is the appropriate authority to issue certification under Section 54.314(a).

We declare that, to the best of our knowledge and belief, all federal high cost support received in 2004 by economically regulated rural eligible telecommunications carriers in Alaska (see attached list) will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with section 254(e) of the Communications Act.

We economically regulate Arctic Slope Telephone Association Cooperative, Inc. (ASTAC) but only for its Barrow exchange. All other ASTAC exchanges, Circle Telephone, Cordova Telephone, Ketchikan Public Utilities, and Nushagak Electric & Telephone Coop., Inc. are not economically regulated by our agency. Our certification does not cover non-regulated wire line service areas and each carrier is responsible for self-certifying its compliance with 47 C.F.R. 54.314(b) for such areas.

We have included Alaska DigiTel, LLC, (Ak DigiTel) a non-regulated wireless carrier, on our list of carriers. We have done so as we have directed the company to file annual certification with us concerning its use of funds and we plan to regularly review its responses in this area. We have been told by Ak DigiTel that it will also be filing with the FCC its individual statement concerning use of funds by a non-regulated entity.

We have pending a number of local carrier revenue requirement and cost of service study proceedings. Additional studies are scheduled for filing in subsequent years. Our certification does not preclude us from reviewing in further detail how any carrier has employed its federal universal service funds and ordering that use of funds comply with directives or policies we may set. Our certification is based on best data available as of September, 2003. Our decision does not bind us in future or pending cases and we reserve the right to conclude that a company should employ its universal service funding differently than it does today or in the future in light of better data or a more detailed review.

Sincerely,
REGULATORY COMMISSION OF ALASKA

_____/s/_____
Mark K. Johnson
Commissioner
Chair

Rural Eligible Telecommunications Carriers in Alaska:

| NECA Code ¹ | Carrier |
|------------------------|---|
| 613012, 613022 | ACS of Alaska, Inc. |
| 613008 | ACS of Fairbanks, Inc. |
| 613010, 613020 | ACS of the Northland, Inc. |
| N/A | Alaska DigiTel, LLC ² |
| 613017, 613009 | Alaska Telephone Company. |
| 613001, 613009 | Arctic Slope Telephone Assoc. Coop. Inc. ³ |
| 613002 | Bettles Telephone, Inc. |
| 613003 | Bristol Bay Telephone Coop. Inc. |
| 613004 | Bush-Tell, Inc. |
| 613006 | Copper Valley Telephone Coop., Inc. |
| N/A | GCI Communications Corp. ⁴ |
| 613011, 613009 | Interior Telephone Co. |
| 613015 | Matanuska Telephone Assoc., Inc. |
| 613016, 613009 | Mukluk Telephone Co. |
| 613026 | North Country Telephone, Inc. |
| 613019 | OTZ Telephone Coop., Inc. |
| 613028 | Summit Telephone Co. |
| 613023 | United Utilities, Inc. |
| 613023, 613009 | United-KUC, Inc. |
| 613025 | Yukon Telephone Co. |

¹ With the exception of Alaska DigiTel (see footnote 2) each local carrier has ETC status in all rural study areas that it serves. The study area codes are provided as a convenience. While the listed codes are intended to encompass all served areas unless otherwise noted, not all codes were available at the time this certification was provided. For example, code 613009 refers to previous exchanges owned by GTE Alaska, Inc. / ATEAC that were divided up and transferred to several different entities. These exchanges may have since been merged with each carrier's other study area(s).

² Alaska DigiTel, LLC holds ETC status in the following rural incumbent study area: MTA (613015).

³ The Regulatory Commission of Alaska only economically regulates ASTAC for its Barrow exchange. ASTAC, for its non-regulated exchanges, is responsible to separately file a letter with the FCC indicating its intent to use federal high cost funds only for their intended purposes.

⁴ GCI hold ETC status in the following rural incumbent study areas: Fairbanks (613008), Juneau (613012), and Greatland (613022). However, this certification only covers the Fairbanks and Juneau areas. GCI indicated it provides service to the Greatland study area via wholesale.